to Small Scale Industry (SSI) sector and suggest appropriate measures for their redressal. The Committee has submitted its report to RBI on June 30th 1998. The Committee has made as many as 126 recommendate covering venous aspects relating to the SSI sector. RBI has already accepted 35 recommendations of the Kapur committee and issued circular to all commercial banks for implementation. Out of these some of the important recommendations are as under:

(a) Delegation of more powers to branch managers to grant adhoc limits.

(b) Simplification of application forms.

(c) Freedom to banks to decide their own norms for assessment of credit requirements.

(d) Opening of more specialised SSI Branches.

(e) Enhancement in the limit for composite loans to Rs. 5 lakhs.

(f) Strengthening the recovery machenism.

(g) Banks to pay more attention to the backward states.

(h) Special programmes for training branch managers for apprais in small project.

(i) Banks to make customers grievance mechinary mere transparent simplify the procedures for handling complaints and monitoring there.

**Restriction of Steel Imports**

2548. SHRI SITARAM KESRI: Will the Minister of FINANCE be pleased to state:

(a) whether it has been decided to restrict steel imports by making the certificate from the Directorate of Revenue Intelligence (DRI) necessary; and

(b) if so, what benefits are proposed to be derived from this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHA-NAN): (a) The Government has not taken any decision to restrict steel imports by making the certificate from the Directorate of Revenue Intelligence (DRI) necessary.

(b) Does not arise in view of answer to (a) above.

**Conversion of Regular Payment India Backloded Repayment**

2549. SHRI SITARAM KESRI: Will the Minister FINANCE be pleased to state:

(a) whether it is a fact that in order to circumvent 931 guidelines provisioning norms, the developmental financial institutions and banks have developed on innovative method of ballooning the repayment of interest and the principal, there by converting the regular repayment into a backloded repayment; and

(b) if so, what steps Government have taken and propose to take to combat this uncalled for activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHA-NAN): (a) and (b) No, Sir. Reserve Bank of India (RBI) has reported that their instructions on asset classifiction on sure that they are based on objective criteria of record of recovery. There have, however, been instances noticed during the course of onsite inspections of banks by RBI where classifications have not conformed to instructions and the assets have not been classified as NPAs and provided for as required. On the besis of the findings banks have been instructed to reclassify the loans as NPA and to make adaquate provisions as well as to reverse any interest taken as income thereon.